

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re: _____)
_____) Chapter 11
PURDUE PHARMA L.P., et. al.¹ _____)
_____) Case No. 19-23649 (RDD)
Debtors. _____)
_____) (Jointly Administered)

**COVER SHEETS FOR INTERIM APPLICATION OF ERNST & YOUNG LLP
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM SEPTEMBER 15, 2019 THROUGH JANUARY 31, 2020**

Name of applicant:	Ernst & Young LLP ("EY LLP")		
Authorized to provide professional services to:	The above-captioned debtors and debtors-in-possession		
Date of retention order:	December 23, 2019 (<i>nunc pro tunc</i> to September 15, 2019)		
Period for which compensation and reimbursement are sought:	September 15, 2019 through January 31, 2020		
Amount of compensation sought as actual, reasonable and necessary:	\$200,000.00		
Amount of expense reimbursement sought as actual, reasonable, and necessary:	\$29,161.00		
This is a(n):	_____ monthly	_____ Interim	_____ final application

Previous Interim Fee Applications Filed: None

¹ The Debtors in these cases, along with the last four digits of each Debtor's registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors' corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

COMPENSATION BY PROFESSIONAL

Last Name	First Name	Title	Hours
Savell	Roger	Partner/Principal	20.5
Hartman	Bryan	Manager	8.8
Yuan	Helen	Senior	22.1
Zee	Ena	Executive Director	8.0
Brady	Devon	Partner/Principal	14.0
Fleurinord	Erlain	Staff/Assistant	49.0
Furtado	Justin	Senior	48.4
Ostling	Danita	Partner/Principal	10.6
Negron	Aitzarelys	Senior	2.1
Chun	Sung	Staff/Assistant	16.7
Redmond	Robert	Manager	3.0
Zeng	Qinglai	Senior	3.7
Mridul Jain	Jain	Staff/Assistant	3.0
D'Alessandro	Nicholas	Senior	1.1
Bellinzoni	Christopher	Senior Manager	0.5
Connors	Ryan	Senior	27.0
Fox	Nicholas	Manager	6.0
Nguyen	Jessica	Staff/Assistant	27.0
Joe Shibu Raj A	Shibu	Senior	13.5
Sciametta	Thomas	Partner/Principal	2.0
Seenarraine	Jessica	Senior Manager	6.8
Benzel	Florence	Senior Manager	33.1
Barr	Justin	Executive Director	3.1
Manbeck	Jennifer	Executive Director	16.6
Vasudevan	Sneha	Staff/Assistant	17.0
Porrazzo	John	Senior	0.5
Aznar	Tiffany	Staff/Assistant	10.0
Marinaccio	Andrew	Staff/Assistant	0.0
Hartley	Adrian	Senior Manager	2.0
Cannavina	Anthony	Executive Director	14.4
Inneo	Mary	Staff/Assistant	15.5
Biedziak	Eliza	Senior Manager	0.5
Mutlu Tepe	Serpil	Manager	1.6
Tran	Loikevin	Manager	0.5
Yang	Katrina	Staff/Assistant	0.0
Witte	Michael	Senior Manager	1.5
Total			411.9

Total Fees Sought for Fixed Fee Financial Statement Audit Services During Fee Period: \$200,000.00

COMPENSATION BY PROJECT CATEGORY

Time Category	Category Descriptions	Hours
Bankruptcy	This category includes activities associated with incremental procedures related to the bankruptcy filing	55.8
Employee Benefit Plan Audit	This category includes activities associated with employee benefit plan (Pension and 401(k)) audits	144.1
Independence Procedures	This category includes all activities associated with Independence Procedures	22.4
Planning Activities	This category relates to all audit planning activities.	32.6
Risk Assurance/IT Activities	This category relates to discussion, and analysis relating to application controls, IT audit progress and IT general controls.	71.0
Walkthroughs/Test of Controls	This category includes all activities associated with meetings, preparation and review of all walkthroughs and controls.	10.6
Year-End Substantive Testing	This category includes activities associated with Year-End audit procedures	43.3
Quality Review	This category includes activities associated with Quality Review of audit procedures	30.3
Total		411.9

SUMMARY OF EXPENSES

Expense Category	Total Expense
Outside Counsel Fees	\$29,161.00
Total Expenses Due	\$29,161.00

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PURDUE PHARMA L.P., et. al ²)	Chapter 11
Debtors.)	Case No. 19-23649 (RDD)
)	(Jointly Administered)

**INTERIM APPLICATION OF ERNST & YOUNG LLP
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM SEPTEMBER 15, 2019 THROUGH JANUARY 31, 2020**

Pursuant to Sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and this Court’s November 21, 2019 order approving procedures for professional compensation requests in these cases, Ernst & Young LLP (“EY LLP”) hereby files this monthly application for compensation as a retained professional to the above-captioned Debtors (this “Application”). By this Application, EY LLP respectfully requests allowance and payment of \$200,000.00 compensation, and reimbursement of actual and necessary expenses incurred in the amount of \$29,161.00 as compensation with respect to services it provided to the Debtors during the period from September 15, 2019 through January 31, 2020 (the “Fee Period”).

² The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Background

1. On September 15, 2019 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”).

2. The Debtors’ retention of EY LLP was approved by this Court’s Order entered on December 23, 2019, *nunc pro tunc* to September 15, 2019.

3. EY LLP is authorized to be compensated under the terms set forth in the engagement letters between the Debtors and EY LLP, and to be reimbursed for actual and necessary out-of-pocket expenses.

Compensation Paid and Its Source

4. All services for which EY LLP requests compensation were performed for or on behalf of the Debtors. EY LLP has received no payment and no promises for payment from any source other than the Debtors for services rendered or to be rendered in any capacity in connection with the matters covered by this Application.

Supporting Detail

5. During the Fee Period, EY LLP performed services for the Debtors. The total time spent by EY LLP with respect to the services for which it requests compensation hereunder was approximately 411.9 hours. The blended average hourly rate with respect to such services during the Fee Period was approximately \$485.55.

The supporting detail for this Application is attached hereto as **Exhibit A**, which contains the daily time information for each EY LLP professional during the Fee Period.

Exhibit B contains the time detail of EY LLP’s outside counsel in connection with its retention in these Chapter 11 cases, for which EY LLP also requests reimbursement hereby.

Applicable Law

6. Section 330(a)(1) of the Bankruptcy Code provides, in relevant part, as follows:

(a) (1) After notice to the parties in interest and the United States Trustee and a hearing, and subject to sections 326, 328, and 329, the court may award to a ... professional person employed under section 327 or 1103 –

(A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, ombudsman, professional person, or attorney and by any paraprofessional person employed by any such person; and

(B) reimbursement for actual, necessary expenses.

7. Section 330 of the Bankruptcy Code prescribes the general standards for

determining the reasonableness of the amount of compensation sought by a professional. *See 3 Collier on Bankruptcy* ¶ 331.03 at 331-12. Congress enacted section 330 of the Bankruptcy Code to liberalize the practice of granting the allowance of compensation to professionals in bankruptcy cases in order to ensure that professionals be reasonably compensated and that future professionals not be deterred from taking bankruptcy cases due to a failure to pay adequate compensation. *See In re Ames Dep't Stores, Inc.*, 76 F.3d 66, 72 (2d Cir. 1996) (quoting *In re UNR Indus., Inc.*, 986 F.2d 207, 208-09 (7th Cir. 1993)).

8. Section 330(a) of the Bankruptcy Code provides for the compensation of reasonable and necessary services rendered by professionals based on the time, the nature, the extent and the value of such services, and the cost of comparable services other than in a case under the Bankruptcy Code. *See 11 U.S.C. § 330*. The test for determining necessity is objective; focusing on what services a reasonable professional would have performed under the same circumstances. *See, e.g., In re Angelika Films 57th, Inc.*, 227 B.R. 29, 42 (Bankr. S.D.N.Y. 1998). This test does not rely on hindsight to determine the ultimate success or failure of the professional's actions. *See id.; In re Keene Corp.*, 205 B.R. 690, 696 (Bankr. S.D.N.Y. 1997).

Ultimately, if the services of a professional are reasonably likely to benefit the debtor's estate, they should be compensable. *See Angelika Films*, 227 B.R. at 42.

9. EY LLP respectfully submits that the compensation sought in this Application is necessary and reasonable. The services that EY LLP rendered to the Debtors during the Fee Period required a high degree of professional competence. EY LLP performed efficiently, effectively and economically, and the results obtained have benefited the Debtors, their estates and creditors.

WHEREFORE, EY LLP hereby respectfully requests allowance and payment of \$200,000.00 as compensation, and reimbursement of actual and necessary expenses incurred in the amount of \$29,161.00 with respect to services it provided to the Debtors during the Fee Period. EY LLP also respectfully requests that it be granted such other and further relief as the Court may deem just and proper.

Dated: March 13, 2020

/s/Devon M. Brady

Devon M. Brady
Ernst & Young LLP